

RDA-1. A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 2 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFÉ (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE LOCATED AT 1560 COLLINS AVENUE, SUITES 1-2, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (I) THE OPENING OF THE PREMISES OR (II) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM JUNE 6, 2025 THROUGH FEBRUARY 5, 2026, DUE TO PERMITTING AND CONSTRUCTION DELAYS; AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 2.

Applicable Area:

# MIAMI BEACH

## COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, Executive Director

DATE: June 25, 2025

TITLE: A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 2 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFÉ (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE LOCATED AT 1560 COLLINS AVENUE, SUITES 1-2, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (I) THE OPENING OF THE PREMISES OR (II) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM JUNE 6, 2025 THROUGH FEBRUARY 5, 2026, DUE TO PERMITTING AND CONSTRUCTION DELAYS; AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 2.

### **RECOMMENDATION**

The Administration recommends that the Chairperson and Members of the Miami Beach Redevelopment Agency approve Amendment No. 2 to the Lease Agreement with Collins 1560 LLC d/b/a Lime Tree Café, extending the Rent Abatement Period.

### **BACKGROUND/HISTORY**

On December 14, 2022, the Miami Beach Redevelopment Agency (“Landlord”) entered into a Lease Agreement with Collins 1560 LLC d/b/a Lime Tree Café (“Tenant”) for the lease of approximately 2,697 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 1-2, for the operation of a fine dining restaurant known as Lime Tree Café under a term of nine (9) years and 272 days.

The Tenant is also developing a separate restaurant concept, Open Vision (Cave 305), in adjacent Suites 3-4. Due to shared infrastructure and overlapping permitting timelines, both projects have experienced delays related to the complex construction process, including the installation of a shared grease trap.

The original Lease granted the Tenant an eleven (11) month abatement of Minimum Rent. In April 2024, via Amendment No. 1, the RDA approved an eight-month extension of the Rent Abatement Period through June 5, 2025, to accommodate ongoing construction and permitting delays.

On April 1, 2025, the Tenant requested an additional eight-month extension of the abatement period, citing continued challenges in the construction and permitting process. The requested extension would run from June 6, 2025, through February 5, 2026, and includes a proposal to continue paying Operating Expenses while deferring Minimum Rent, the Concession Fee, and any applicable Percentage Rent.

## **ANALYSIS**

The Tenant is currently obligated to pay Minimum Rent of \$17,361.94 per month upon conclusion of the rent abatement period, along with a Concession Fee and Percentage Rent. However, due to unresolved permitting issues, particularly with the DERM review process for the shared grease trap, the Tenant has not been able to complete construction and commence operations.

In response, the Tenant has requested an additional eight-month extension of the Rent Abatement Period or upon opening, which occurs first. During this proposed extension, the Tenant will continue to pay Operating Expenses, estimated at approximately \$3,146.50 per month, while remaining temporarily exempt from Minimum Rent and other rent obligations.

The requested extension would not affect the expiration date of the Lease or modify its overall term. It is a time-limited adjustment aimed at supporting completion of the buildout and ensuring the successful launch of the Lime Tree Cafe.

## **FISCAL IMPACT STATEMENT**

The fiscal impact of the proposed Amendment No. 2 includes the deferral of the Tenant's Minimum Rent, Concession Fee, and Percentage Rent obligations during the requested eight-month extension. Based on the Lease's current rent schedule, this equates to a deferral of approximately \$138,895.52 in Minimum Rent revenue in addition to the forgone collection of associated Concession Fees and any Percentage Rent that would have been due if operations had commenced.

Despite the temporary deferral of this revenue, the Tenant will continue to pay monthly Operating Expenses of approximately \$3,146.50, totaling \$25,172.00 over the eight-month extension. These payments ensure that the Landlord continues to recover essential costs tied to maintaining the premises during the abatement period.

The proposed amendment does not increase the total lease term or provide additional economic incentives. Rather, it aligns the rent commencement timeline with realistic construction milestones, thereby preserving the Lease's long-term financial structure and enhancing the likelihood of full tenant occupancy and revenue generation in future lease years.

## **Does this Ordinance require a Business Impact Estimate?**

(FOR ORDINANCES ONLY)

**If applicable, the Business Impact Estimate (BIE) was published on:**

See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

## **FINANCIAL INFORMATION**

## **CONCLUSION**

The Administration recommends that the Chairperson and Members of the Miami Beach Redevelopment Agency approve Amendment No. 2 to the Lease Agreement with Collins 1560 LLC d/b/a Lime Tree Café, extending the Rent Abatement Period to the earlier of: (i) the opening of the Premises or (ii) an additional eight (8) month period, from June 6, 2025 through February

6, 2026, due to construction and permitting delays; and further authorize the Executive Director to finalize and execute Amendment No. 2.

**Applicable Area**

South Beach

**Is this a “Residents Right to Know” item, pursuant to City Code Section 2-17?**

No

**Is this item related to a G.O. Bond Project?**

No

**Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying?** No

If so, specify the name of lobbyist(s) and principal(s):

**Department**

Facilities and Fleet Management

**Sponsor(s)**

**Co-sponsor(s)**

**Condensed Title**

Amendment 2 to Lease, Lime Tree Café - 1560 Collins Ave Add'l (8) Months Rent Abatement.  
FF

**Previous Action (For City Clerk Use Only)**

April 6, 2025

Mr. Ozzie Dominguez,  
CSM Director of Asset Management  
Facilities and Fleet Management Dept.  
City of Miami Beach  
1833 Bay Road, 2<sup>nd</sup> Floor  
Miami Beach, Florida 33139

Re: Request for Extension of Rent Commencement Date and Rent Abatement Period of the Lease between the City of Miami Beach and Collins 1560, LLC for the Property Located at 1560 Collins Avenue, Suites 1 and 2

Dear Ozzie:

As you know, this firm represents Collins 1560 LLC (the “Tenant”) with respect to the Lease between the Tenant and the City of Miami Beach (the “City”) for the property located at 1560 Collins Avenue, Suites 1 and 2 (the “Property”), dated March 23, 2023. Please allow this correspondence to serve as a request for Extension of the Rent Commencement Date and Rent Abatement Period of the Lease between the City of Miami Beach and the Tenant for the Property (the “Lease”).

**Description of the Property.** The Property is located on the south side of 16<sup>th</sup> Street between Collins and Washington Avenues, in the GU, Government Use, zoning district. It is also located within the Ocean Drive/Collins Avenue Local Historic District and the Miami Beach Architectural District in the National Register of Historic Districts. Miami-Dade County identifies the property by Folio No.: 02-3234-019-1090. Pursuant to the Miami-Dade County Property Appraiser, the property is approximately 261,800 square feet and houses a five-story structure. The top four (4) levels of the structure house a parking garage, while the ground floor provides for commercial uses. This request pertains to suites 1 and 2, the Property.

**Request.** The Tenant is requesting an eight (8) month extension of time of the commencement date and rent abatement period of the Lease, or in the alternative through the time of receiving a Certificate of Use (CU) from the City of Miami Beach, whichever is earlier. This request is as a direct result of increased construction costs and the delays relating to the Tenants companion lease between the City and Open Vision LLC for suites 3 and 4. The delays with the permits for Open Vision, LLC, have had ripple effects into the Tenant’s ability to proceed expeditiously with both projects simultaneously. Also, since both projects are situated within the same property, there have been multiple instances of confusing the permits during submission, resulting in erroneous comments, which have resulted in permit failures, and delays. Below please find the general permit timeline for this project:

- **December 27, 2023 – BC2322855** – tenant applied for master permit
  - Review cycles – December 2023, May, 2024, September 2024, January 2025
  - Permit process delayed pending 3<sup>rd</sup> time review, which prevented proceeding with any reviews, and delayed subsequent permit submissions (plans failed for plumbing, but prevented upload for other disciplines, including electrical).
  - Holds released in January



- Approvals from Mechanical, structural, fire, electrical, and building disciplines in March 2025
  - Failed plumbing – calling for DERM review and County FOG
  - Plans with Cave 305 confused with these permits
  - January 2025 - Outreach to Building Department advising that DERM approvals were previously filed and of reviewer confusion between permits (both sets of permits are for restaurants at the same property, just different units.
- **August 15, 2024 – ELC2414984** – applied for commercial signs
    - Issued 02/05/25
      - Permit went through two cycles of reviews (September and October 2024).
      - The plans were approved during the third cycle in early 2025.

While the Tenant was hopeful to have Cave 305 (Open Vision) opened by April 1, 2025, allowing for them to then finish the permitting for 1560 LLC (Lime Tree), the delays in Cave 305 have had a ripple effect on this project and resulted on a delayed start with the permits. Nevertheless, the Tenant continued full force with their permits, but the confusion between the projects have unfortunately added to the delay in having these permits issue in order to finalize the work at the Property. As a result, we are requesting an additional amendment and extension of the commencement date and rent abatement period for the Property.

**Conclusion.** The proposed use is consistent with the permitted uses in the district and the proposed café will enrich the neighborhood.

While your assistance thus far, with the permitting, has been indispensable, we now seek your support for this extension request.

Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,  
MHE LAW PA



Monika H. Entin

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 2 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFÉ (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE LOCATED AT 1560 COLLINS AVENUE, SUITES 1–2, TO EXTEND THE RENT ABATEMENT PERIOD TO THE EARLIER OF: (i) THE OPENING OF THE PREMISES OR (ii) AN ADDITIONAL EIGHT (8) MONTH PERIOD, FROM JUNE 6, 2025 THROUGH FEBRUARY 5, 2026, DUE TO PERMITTING AND CONSTRUCTION DELAYS; AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO FINALIZE AND EXECUTE AMENDMENT NO. 2.**

**WHEREAS**, on December 14, 2022, the Miami Beach Redevelopment Agency (“RDA” or “Landlord”) and Collins 1560 LLC d/b/a Lime Tree Café (“Tenant”), entered into a Lease, for use of approximately 2,697 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 1–2, for the operation of an upscale dining restaurant; and

**WHEREAS**, the Lease term is for nine (9) years and 272 days, commencing on April 6, 2023, when Tenant took possession of the Premises, and expiring on January 3, 2033; and

**WHEREAS**, under the Lease, Tenant received the following concessions:

- for months 2-7 from Commencement Date (May 6, 2023 – November 5, 2023), the Minimum Rent and Operating Expenses were abated (Minimum Rent and Additional Rent Abatement Period); and
- for months 8-18 from Commencement Date (November 6, 2023 – October 5, 2024), the monthly Minimum Rent payment (at the time, \$16,856.25 plus applicable sales tax) was abated (Rent Abatement Period); however, during the Rent Abatement Period, Tenant was still required to pay the monthly payment for Operating Expenses; and

**WHEREAS**, on June 26, 2024, the Chairman and Members of the RDA adopted Resolution No. 690-2024, approving an extension of the Rent Abatement Period for an additional eight (8) months, from October 6, 2024 to June 5, 2025, during which time Minimum Rent was \$17,361.94 plus applicable sales tax; and

**WHEREAS**, simultaneously with the development of the Premises, Tenant is also developing a separate restaurant concept, Open Vision (Cave 305), in adjacent Suites 3–4, which shares infrastructure and overlapping permitting timelines with the Lime Tree Café project, contributing to construction delays; and

**WHEREAS**, on April 1, 2025, the Tenant submitted a formal request for an additional eight-month extension of the Rent Abatement Period, from June 6, 2025 through February 5, 2026, or when Tenant opens for business, whichever occurs first, citing ongoing permitting issues, particularly with the DERM review process for a shared grease trap; and

**WHEREAS**, during the proposed extended Rent Abatement Period, the Tenant shall continue paying Operating Expenses, estimated to be \$3,146.50 per month, while remaining exempt from payment of the Minimum Rent payment of \$17,361.94 through September 30, 2025 and \$17,882.80 through February 28, 2026, as well as any applicable Concession Fee and Percentage Rent; and

**WHEREAS**, the proposed Amendment does not alter the Lease's expiration date or introduce new economic incentives, but rather aligns Lease milestones with construction realities and supports timely project completion; and

**WHEREAS**, the approval, in substantial form, of Amendment No. 2, a draft copy of which is attached to the RDA Memorandum accompanying this Resolution as Exhibit B, would provide Tenant with the necessary temporary rent relief and support it needs to have a successful opening of Lime Tree Café, consistent with the RDA's goals to activate retail space, support local business, and preserve long-term revenue potential.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA)**, that the Chairperson and Members of the RDA hereby approve, in substantial form, Amendment No. 2 to the Lease Agreement between the RDA (Landlord) and Collins 1560 LLC d/b/a Lime Tree Café (Tenant), for use of approximately 2,697 square feet of ground floor retail space located at 1560 Collins Avenue, Suites 1–2, to extend the Rent Abatement Period to the earlier of: (i) the opening of the Premises or (ii) an additional eight (8) month period, from June 6, 2025 through February 5, 2026, due to permitting and construction delays; and further authorize the Executive Director to finalize and execute Amendment No. 2.

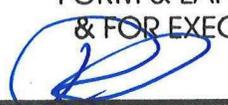
**PASSED and ADOPTED** this \_\_\_\_ day of \_\_\_\_\_ 2025.

**ATTEST:**

\_\_\_\_\_  
Rafael E. Granado, Secretary

\_\_\_\_\_  
Steven Meiner, Chairperson

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
Redevelopment Agency  
General Counsel

6/12/2025

Date

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**PASSED and ADOPTED** this \_\_\_ day of \_\_\_\_\_ 2025.

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APPROVED AS TO  
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Redevelopment Agency  
General Counsel

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Date